

a centralized database for use in automating documentation, monitoring and records retention activities associated with the operating expenses allocation, and the strategic decision making process.

Please replace the paragraph beginning on page 2, line 25, and ending on page 2, line 34, with the following replacement paragraph.

In another embodiment, a method and a computer program for allocating operating expenses to deal activity using a web-based system including a server system coupled to a centralized database and at least one client system. The method includes inputting business information, allocating operating expenses to a business unit's processes, computing an average deal cost, calculating deal costs per product by adjusting the average deal cost to reflect complexity differences between products since each product tends to have a different level of complexity that drives different processes and costs, and providing various management reports to track operating expenses by different categories to facilitate the strategic decision making process and improve operational productivity.

Please insert the following paragraph beginning on page 5, line 13.

In the example embodiment, server system 12 is further configured to update database 20 instantaneously by accepting business information at least through one of a voice activation command and a device, for example a keyboard or mouse, connected to client system 14. Moreover, client system 14 is configured to send a query to server system 12 through at least one of a click of a mouse button and a voice command.

Please replace the paragraph beginning on page 9, line 22, and ending on page 10, line 13, with the following replacement paragraph.

Figure 5 is an exemplary embodiment of a user interface 370 identifying allocation of operating expenses to the business unit's processes and computation of an average deal cost. Figure 5 shows the cost allocation of the operating expenses to the Business Unit's processes. The cost allocation of the operating expenses is a function of taking Time Allocation percentage

per process 374 (i.e. time spent questionnaire sent to employees to estimate their total time spent by process as a percentage of total hours worked for a given time period) and multiplying it to the actual operating expense. For instance, in the example below, Transportation & Industrial (T&I) 320 (shown in Figure 4) spent \$27.2 million 380 in operating expenses for total year 1999. The operating expense represents the expenses related to all products (i.e. loans, lease, common equity, preferred equity, etc.) at all process levels (i.e. QL 334, PIC 336, Proposal Issue 338, Deal Awarded 340, DAM Held 342, and Closed 350). T&I 320 spent eighteen percent 384 of their time working on qualified leads. Therefore, it cost T&I 320, \$4.9 million 388 in expenses to generate qualified leads. After computing the cost per process, CAMS 10 calculates the average deal cost per process. Continuing with the example, T&I 320 had two hundred sixty seven qualified leads 390 in 1999. The cost allocation model divides the \$4.9 million 388 by two hundred sixty seven qualified leads 390 to determine the average cost of \$18,323 per qualified lead 394. In total, the average deal cost for division level 400 is \$259,423 for an average deal that is approved at the divisional level. CAMS 10 further computes that the average deal cost for a deal approved at the headquarter level 404 is \$259,276 and the average deal cost for a deal approved at the board of director's level 406 is \$303,590. After computing the average deal cost for division level 400, headquarter level 404, and board of director's level 406, the cost allocation model adjusts the average deal costs to reflect product differences in complexity and cost.

Please insert the following paragraph beginning on page 10, line 14.

In the example embodiment, the term “# of QL” as shown in Figure 5 may also be referred to in at least some reports as “Lead Generation” (e.g., Figs. 9 and 11). Additionally, the terms “# of PICs” and “# of Issued Proposals” as shown in Figure 5 may also be referred to in at least some reports as “PIC” and “Proposal Issue”, respectively (e.g., Figs. 9 and 11). Also, the terms “# Awarded or Credit Request”, “# of DAM Held”, and “# Approved” as shown in Figure 5 may be referred to in at least some reports as “Underwrite”, “Approval”, and “Close”, respectively (e.g., Figs. 9 and 11).

Please replace the paragraph beginning on page 10, line 14, and ending on page 10, line 22, with the following replacement paragraph.

Figure 6 is an exemplary embodiment of a user interface 420 identifying a Product Complexity Index 424. Product Complexity Index 424 is an average cycle time 428 for each product 432 as a percent of a total business unit cycle time 434. For example, T&I average cycle time for a loan is Sixty-three days 440 from qualified lead to close. The average cycle time for total T&I is Seventy days 444. Therefore, complexity index 446 for a T&I loan is determined to be 90% (63 days divided by 70 days). After determining Product Complexity Index 424, the cost allocation model adjusts the average deal cost by multiplying the Product Complexity Index with the average deal costs.

Please replace the paragraph beginning on page 10, line 23, and ending on page 11, line 6, with the following replacement paragraph.

Figure 7 is an exemplary embodiment of a user interface 460 depicting the overall adjustments to average deal cost based on Product complexity Index 424 (shown in Figure 6) for a loan product. T&I Loan Complexity Index 464 (also shown in Figure 6 as reference numeral 446) of 90% is multiplied with average cost by processes with the exception of qualified leads. For example, loan complexity index 464 is multiplied with average deal cost relating to PIC (shown in Figure 5) \$9,883, which results in an average deal cost of \$8,895 (reference numeral 470) adjusted for PIC based on the complexity index. CAMS 10 first computes the adjusted average deal cost 480 for each step of the loan process and then computes the total adjusted average deal cost 484 for a loan by adding adjusted average deal cost 480 for each step of the process. Based on the computation, the total adjusted average deal cost 484 for a loan product is \$236,648. Since the approval level also drives different costs, a loan that requires Divisional Approval 490 costs \$235,313, business entity's Headquarter Approval 492 costs \$235,180, and Board Approval 494 costs \$275,063, respectively. User interface 460 further identifies the breakdown of all deals at each process step. For example, T&I had seventy-one qualified leads 500 out of which nineteen leads were terminated 504, leaving fifty-two leads 506 at PIC level.

As shown, out of seventy-one qualified leads 500, thirty-four deals reached DAM Held 510 requiring divisional approval.

Please replace the paragraph beginning on page 11, line 7, and ending on page 11, line 20, with the following replacement paragraph.

Figure 8 is an exemplary embodiment of a user interface 520 providing a breakdown of costs for a given product (i.e. loan) for each of the separate process steps. The cost allocation model computes total costs 524 for all products by process 530. The cost allocation model multiplies average product deal cost for each process step 540 (QL, PIC, Issued Proposal, Award, and DAM Held) by number of deals (shown in Figure 7). For instance, T&I had thirty-four deals that reached DAM Held 510 (shown in Figure 7) that required divisional approval. The cost allocation model determined a \$727,724 cost for divisional level 546 by multiplying thirty-four DAM Held deals 510 (shown in Figure 7) by the average product/process cost of \$21,404 (shown in Figure 7). Total costs 524 for T&I Loans as developed by cost allocation model is \$13.9 million 548. The cost allocation model further determines and displays a Unit Cost per Close Deal 560, a Total Cost Close Deal 562, Total Costs for Close Deals 564, Total Costs for Dead Deals 566, Total Costs 568, Dead Deals as a Percentage of Total Costs 570 and Hit Rates 572.

Please replace the paragraph beginning on page 11, line 21, and ending on page 11, line 24, with the following replacement paragraph.

Figures 9 through 11 are exemplary embodiments of management reports generated by CAMS 10. These reports summarize the activity costs by product and process for each Business Unit. The reports are useful for management to make strategic decisions. The reports may be printed in a plurality of formats including a plurality of the data displayed within the reports.